GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries & Commerce Department - Extension of power cost reimbursement to the Ferro Alloy Industries in the State – Orders – Issued.

INDUSTRIES & COMMERCE (P&I) DEPARTMENT

G.O.MS.No. 22 Dated: 30-01-2019
Read the following:-

Ref:-1) G.O.Ms.No.108, Industries & Commerce (P&I) Department Dt. 14.11.2015.
2) G.O.Ms.No.31 Ind. & Com. (P&I) Dept., dt.25-2-2016
3) From the Chairman, AP Ferro Alloys Producers' Association representations dt.10-1-2017 dt.25-2-2017 dt.4-3-2017dt.13-4-2017, dt.23-6-2018.
4) Letters dt.18-2-2016 & dt.23-8-2018 from M/s.Sarda Metals & Alloys Limited.
5) Letters dt.18-2-2016 & dt.23-8-2018 from M/s.Shri Girija Alloy & Power (I) Pvt. Ltd., Dt.3-11-2018.
6) G.O.Rt.No.981, GA (Cabinet) Dept., dt.3-5-2017.

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ORDER:

In the reference 2nd read above, based on the recommendations of Group of Ministers, Government have extended power cost reimbursement @ Rs.1.50 per unit for Ferro Alloy Industries in the State who consume power from the DISCOM/GRID (Non Captive Units) for one year from the financial year 2016-17, as a special case. Subsequently, power incentive @ Rs. 1.50 Ps. was adjusted in the CC Bills itself.

2. In the reference 3rd read above, AP Ferro Alloys Producers' Association have represented to the Government stating that Ferro Alloy Industries are not in a position to survive and requested the State Government for power cost reimbursement @ Rs.1.50 per unit for one more year (2017-18) as per the Industrial Development Policy 2015-20.

3. In the references 4rd & 5th read above, the Ferro Alloy units M/s.Sarda Metals & Alloys Ltd. Visakhapatnam and M/s.Shri Girija Alloys & Power (I) Pvt Ltd., East Godavari district, which are operating with captive power have requested for a power cost reimbursement @ Rs 1.50 / unit in order to create a level playing field on par with the units consuming power from Grid.

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4 In the G.O 6th read above, Government have issued orders re-constituting a Group of Ministers (GoM) with the following Ministers to look into the problems/issues confronting the 1) Ferro Alloys Sector 2) Textile Sector 3)Jute Industry and 4) Sugar Sector:

1) Hon'ble Minister for Finance & Planning, Commercial Taxes & Legislative Affairs.
2) Hon'ble Minister for Industries, Food Processing, Agri Business, Commerce and Public Enterprises.
3) Hon'ble Minister for Transport, BC Welfare and Empowerment, Handlooms and Textiles

5. The Group of Ministers (GoM) in the meetings held on 17th May 2017 and 5th July, 2017 have recommended to extend Rs.1.50 Ps. subsidy for one more year (FY 2017-18) to the existing Ferro alloy units in the State operating with GRID power i.e., from DISCOMs and also to extend Rs.1.50 Ps. per unit to M/s Shri Girija Alloys & Power Ltd and Rs. 1.24 Ps. per unit to M/s Sarda Metals & Alloys Ltd., for the FY 2016-17.

6. After examination of the request of Ferro Alloy Industries in the State and considering the recommendations of Group of Ministers, Government hereby extend power cost reimbursement to Ferro Alloy Industries in the State as detailed below with a condition that AP Ferro Alloys units will submit a written undertaking stating that they would not seek any further specific support from the Government:

(i) @Rs.0.75 Ps. Per unit to the existing Ferro Alloy units utilizing power from DISCOMS / GRID in the State for Financial Year 2017-18.
(ii) @Rs.0.62 Ps. per unit to M/s. Sarda Metals and Alloys Limited and @Rs.0.75 Ps. per unit to M/s. Shri Girija Alloys and Power (I) Pvt. Ltd., which are operating with captive power for Financial Years 2016-17 and 2017-18.

7. The Commissioner of Industries, Vijayawada shall take necessary action accordingly, duly obtaining a written undertaking from the Ferro Alloy Industries in the State stating that they would not seek any further specific support from the Government, and also following the guidelines in the G.O 1st read above.

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8. This order is issued with the concurrence of Finance Department vide their U.O.No. FIN01-FMU0ASD(IC)/9/2019-FMU-IC, Dt.29-1-2019 (Computer No.782343).

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SOLOMON AROKIARAJ
SECRETARY TO GOVERNMENT & CIP

To
The Commissioner of Industries, Govt. of Andhra Pradesh, Vijayawada.
The VC & MD, APIIC, Vijayawada.
The Energy, I&I Department, A.P. Secretariat.

Copy to:

The A.P. Ferro Alloys Producers Association,308, Nirmal Towers,Dwarakapuri Colony, Panjagutta, Hyderabad -82.
M/s. Sarda Metal & Alloys Limited,50-96-4/1, Floor 2&3, Sri Gowri Nilayam, Seethammadhara NE, Visakhapatnam – 530013.
M/s. Shri Girija Alloy & Power (I) Private Limited, Sy.No.162 & 153, A.D.B Road, Pedhapuram, East Godavari District – 533437.
The Director of Mines and Geology, Andhra Pradesh, Vijayawada.
The Managing Director, Andhra Pradesh State Financial Corporation.
The Finance (FMU-Rev-IC) Department, A.P. Secretariat.
The Accountant General, Andhra Pradesh, Hyderabad.
The Pay and Accounts Officer, Gollapudi, Vijayawada.
All General Managers, District Industries Centre in the State through Commissioner of Industries, Vijayawada.
PS to Principal Secretary to CM, AP Secretariat, Velagapudi.
PS to Hon'ble Minister for Industries, A.P. Secretariat, Velagapudi.
PS to Hon'ble Minister for Finance & Planning, Commercial Taxes & Legislative Affairs, A.P. Secretariat.
PS to Hon'ble Minister for Industries, Food Processing, Agri Business, Commerce and Public Enterprises, AP. Secretariat.
PS to Hon'ble Minister for Transport, BC Welfare and Empowerment, Handlooms and Textiles, A.P. Secretariat.
PS to Chief Secretary to Government, Govt. of AP., A.P. Secretariat.
PS to Special Chief Secretary to Govt., Finance Dept. A.P. Secretariat.
PS to Principal Secretary to Govt., Energy, I&I Dept., A.P. Secretariat.
PS to Secretary to Govt. & CIP, Ind. & Com. Dept., A.P. Secretariat.
PS to Secretary to Govt. (Mines), Ind. & Com. Dept., A.P. Secretariat.
Ind. & Com. (Infra / Mines) Dept.
The GA(Cabinet) Dept, A.P Secretariat.
SF/SC.

// FORWARDED BY ORDER //

SECTION OFFICER